



THE IMPACT OF TENNCARE: A SURVEY OF RECIPIENTS 2003

William Lyons

*Professor, Political Science
Social Science Research Institute*

and

William F. Fox

*Director, Center for Business and Economic Research
and Professor of Economics*



**Center for Business and Economic Research
College of Business Administration
The University of Tennessee
and
Social Science Research Institute
The University of Tennessee**

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Method

The Center for Business and Economic Research at the University of Tennessee contracted with the Department of Finance and Administration of the state of Tennessee to conduct a survey of Tennessee residents in order to ascertain their insurance status and use of medical facilities. Given the necessity of obtaining accurate estimates for subpopulations, a target sample size of 5,000 was agreed upon. The survey instrument was prepared in cooperation with personnel from the TennCare Bureau.

The survey was conducted by telephone between May 15 and June 30, 2003. A Computer Assisted Telephone Interviewing System, utilizing a random-digit dialing based sample, was used to conduct the survey. Four calls were made to each residence, at staggered times, to minimize nonrespondent bias. The design chosen was a "Household Sample," with the interview conducted with the Head of the Household. The University of Tennessee Social Science Research Institute administered the survey.

The response rate was high. Approximately 60 percent of those contacted agreed to participate in the survey. The demographics also very closely mirrored those for the state obtained from the 2000 census estimates. The large sample size allowed the weighting of responses by income to provide unbiased estimates for the entire population. For all statewide estimates of the uninsured, a correction factor was used to adjust for the degree to which the sample over or under represented Tennesseans grouped by income. On all other indicators, the sample closely mirrored the state.

This is a follow-up to previous surveys of 5,000 Tennessee households conducted annually since 1993. Throughout this report, comparisons are made to findings from the earlier surveys.

Tennessee Households – Household Income	Proportion in 2000 Census (Percent)	Proportion in 2003 Survey (Percent)	Deviation (Percent)
Less \$10,000	12.1	11.1	-1.1
\$10,000 - \$14,499	7.4	9.1	1.7
\$15,000 - \$19,999	7.4	8.7	1.4
\$20,000 - \$29,999	14.4	13.7	-0.6
\$30,000 - \$39,999	12.5	12.6	0.0
\$40,000 - \$49,999	11.1	10.4	-0.7
\$50,000 - \$59,999	7.6	8.8	1.3
\$60,000 - \$99,999	19.1	17.0	-2.1
\$100,000 +	8.3	8.5	0.2

Estimates for Insurance Status

Estimates for the number of Tennesseans who are uninsured are presented below (Table 1). The estimated 371,724 uninsured represent 6.4 percent of the Tennessee population (5,797,289). This represents a slight increase from 2002 and the highest number uninsured since 1999. Tennessee has made progress in providing insurance for those under eighteen. The uninsured rate for children is 3.3 percent, substantially lower than the previous year, despite the higher rate for adults. The lower rate for children somewhat offsets even greater increases in the uninsured rates among adults.

Table 1: Statewide Estimates of Uninsured Populations, 1993-2003

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
State Total	452,232	298,653	303,785	333,268	319,079	335,612	387,584	372,776	353,736	348,753	371,724
Percent	8.9	5.7	5.8	6.3	6.1	6.2	7.2	6.5	6.2	6.1	6.4

Table 1a: Percentage by Age Status: 2003

	Under 18	18+
Total	46,999	324,725
Percent	3.3	7.4

Reasons for Failure to Obtain Medical Insurance

There has not been much change in the underlying reasons for a lack of insurance over the period since TennCare was implemented in 1994. The major reason that people report remaining uninsured continues to be their perceived inability to pay (Table 2). In 2003, 82 percent indicate that this is the major reason for not having insurance, up from 74 percent a year earlier. The percent saying they cannot afford insurance does not differ much across income group, except at the highest income level (Table 3). However, it does appear that ever-increasing numbers of higher-income Tennesseans feel they cannot afford insurance. While financial pressures continue to limit people from obtaining coverage, 10 percent indicate that they just did not get around to getting insurance, and 8 percent indicate that a major reason is that they do not need insurance.

Table 2: Reason for Not Having Insurance (1993-2003) (Percent)

Not a Reason	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Can't Afford	10	14	19	20	14	17	19	16	13	17	10
Didn't Get to it	83	67	77	69	67	72	63	73	69	74	70
Don't Need	82	74	79	77	76	74	74	81	72	78	77
Minor Reason	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Can't Afford	7	7	11	7	7	10	10	8	9	10	8
Didn't Get to it	10	22	17	18	18	17	22	21	20	16	20
Don't Need	12	17	16	14	15	13	16	12	16	14	15

Table 2, continued

Major Reason	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Can't Afford	83	79	70	73	79	73	71	76	78	74	82
Didn't Get to it	7	11	7	12	15	12	15	6	11	11	10
Don't Need	6	10	6	9	9	13	10	7	12	8	8

Table 3: "Cannot Afford" Major Reason for No Insurance: by Income (1994-2003) (Percent)

Major Reason	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Less \$10,000	91	90	77	83	79	75	76	82	82	86
\$10,000 - \$14,499	82	80	73	87	86	76	84	84	90	84
\$15,000 - \$19,999	80	64	87	74	80	75	84	89	77	93
\$20,000 - \$29,999	87	76	69	69	73	69	80	74	70	83
\$30,000 - \$39,999	61	59	75	65	78	64	80	82	72	84
\$40,000 - \$49,999	58	82	70	80	63	73	45	69	62	82
\$50,000+	42	38	55	46	46	39	47	46	36	67

Evaluations of Medical Care and Insurance Coverage (1993-2003)

Since 1994, there have only been small changes in all Tennesseans' overall perception of the quality of care they and their children have been receiving (Tables 4 and 5), though the percent regarding the care as excellent for both children and adults has risen somewhat since 1995. It is higher for children in 2002 and 2003 than it has been for any year since the study began. The perceptions by TennCare recipients generally mirror those among heads of households in all insurance categories. The percentages regarding their health care quality as excellent is the highest in this survey. Moreover the differential between the ratings of quality of care for both children and adults continues the trend that began in 1994 of narrowing the differences between ratings provided by TennCare respondents and others. The rating of quality of care continues to be higher for children on TennCare than for the heads of households.

Table 4: Quality of Medical Care Received by Heads of Households (1993-2003) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Excellent	21	26	20	22	22	23	21	22	22	25	25
Good	49	45	51	52	51	52	50	50	48	51	50
Fair	24	22	23	22	22	22	22	21	23	19	19
Poor	5	7	6	4	5	3	7	7	7	5	6
Medicaid/TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Excellent	17	17	14	15	19	18	18	18	20	21	21
Good	41	40	48	49	47	42	47	43	41	46	45
Fair	31	27	28	28	26	31	25	27	28	24	25
Poor	11	16	10	8	8	9	10	12	11	9	9

**Table 5: Quality of Medical Care Received by Children of Heads of Households (1993-2003)
(Percent)**

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Excellent	30	32	28	30	30	30	30	33	30	34	36
Good	48	47	51	50	50	51	51	48	50	51	48
Fair	18	17	17	17	15	15	15	15	16	12	13
Poor	4	4	4	3	5	4	4	4	4	4	3
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Excellent	20	22	27	21	27	27	29	25	24	28	32
Good	47	45	44	55	48	49	49	47	50	48	45
Fair	25	23	21	19	19	18	18	20	19	17	17
Poor	8	10	8	6	6	7	4	8	7	7	6

Satisfaction with Insurance Coverage

TennCare recipients are continuing to show high levels of satisfaction with TennCare (Table 6). In 2003, those expressing satisfaction (83 percent) is only slightly down from the ratio reported the previous year when respondents reported the highest level of satisfaction yet expressed by TennCare recipients. The 2003 percentage slightly exceeds that reported by Medicaid recipients in 1993.

Table 6: Percent Indicating Satisfaction with TennCare (1993-2003) (Percent)

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
82	61	75	82	81	83	81	78	79	85	83

Behavior Relevant to Medical Care

Each respondent was asked a series of questions regarding his or her behavior when seeking medical care (Tables 7 and 8). Again, there has been very little change over the past few years. The proportion of TennCare heads of household recipients seeking care at hospital emergency rooms remains near the lowest level (7 percent) that has been measured since the inception of the program. This is a further indication that TennCare is having some impact on choices that people make in seeking care, and the impact is in the desired direction. Children receiving TennCare are even less likely to first seek care at hospitals (5 percent). The share of heads of households initially seeking care at a doctor's office has climbed to 80 percent, the highest yet recorded and a full 11 percent greater than when the program began. The increase from 66 percent to 82 percent for TennCare children is even greater than for adults.

**Table 7: Head of Household: Medical Facilities Used When Medical Care Initially Sought
(1993-2003) (Percent)**

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Doctor's Office	80	82	80	82	81	81	81	83	81	84	85
Clinic	10	11	11	11	12	12	12	11	12	10	9
Hospital	9	7	7	6	6	6	6	5	6	5	5
Other	1	1	1	1	2	1	1	1	2	1	1
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Doctor's Office	69	70	71	73	74	74	78	76	78	77	80
Clinic	15	18	18	18	17	19	15	17	14	15	12
Hospital	14	11	10	9	7	6	6	6	7	7	7
Other	1	1	1	0	1	1	1	1	2	1	1

**Table 8: Children: Medical Facilities Used When Medical Care Initially Sought (1993-2003)
(Percent)**

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Doctor's Office	78	80	81	82	81	83	81	84	81	85	88
Clinic	13	13	12	13	13	13	12	12	14	10	8
Hospital	8	6	5	5	5	4	6	3	4	4	3
Other	1	1	2	1	1	1	1	1	1	2	1
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Doctor's Office	66	67	74	68	75	76	79	76	77	77	82
Clinic	20	21	18	24	17	18	15	17	16	17	13
Hospital	13	12	7	8	7	5	5	6	7	5	5
Other	1	0	1	0	1	1	1	1	1	1	0

There has been an increase over the past decade in the frequency of visits to physicians. TennCare recipients continue in their tendency to see physicians on a more frequent basis than under Medicaid or the average of Tennessee households. Three of four TennCare recipients see a physician at least every few months. Only 38 percent saw a physician this often prior to TennCare's inception in 1994. In 2003, TennCare recipients see a physician at a much greater rate than that of the general population (Table 9). Approximately three-fourths of TennCare children also see a physician at least every few months (Table 10). The increase in visits is much less pronounced than for TennCare adults. More frequent usage of physicians may indicate greater preventative medical care through annual visits, but may also indicate that the population of TennCare adults is increasingly one that has greater need for medical services.

Table 9: Frequency of Visits to Doctor for Head of Household (1993-2003) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Weekly	2	2	2	2	2	2	2	2	3	2	3
Monthly	8	9	8	8	10	11	12	11	13	11	11
Every Few Months	32	32	33	36	39	39	41	39	41	41	42
Yearly	33	29	33	31	27	27	25	27	25	27	27
Rarely	26	28	22	23	22	21	20	21	19	19	17

Table 9, continued

Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Weekly	3	4	5	5	4	4	5	5	7	6	8
Monthly	15	23	15	20	24	21	25	26	24	24	29
Every Few Months	20	32	36	37	39	44	45	41	44	44	42
Yearly	28	16	20	21	14	14	13	13	12	14	10
Rarely	25	25	20	18	19	19	12	15	13	13	12

Table 10: Frequency of Visits to Doctor for Children (1993–2003)(Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Weekly	2	2	2	2	2	2	2	2	2	2	2
Monthly	10	11	10	12	12	11	11	11	11	11	12
Every Few Months	50	52	49	55	52	55	54	52	52	51	52
Yearly	23	23	26	21	23	22	24	24	24	23	26
Rarely	15	13	11	10	12	10	9	11	11	13	8
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Weekly	3	4	4	4	3	3	4	3	3	2	4
Monthly	13	19	15	19	15	12	14	16	14	17	17
Every Few Months	49	53	48	58	54	57	56	53	56	56	53
Yearly	21	13	20	12	16	19	18	18	16	17	17
Rarely	15	11	11	7	12	9	8	10	11	9	8

Appointments

The percent of people obtaining a doctor visit on the same day that the request is made has fallen, perhaps with the greater tendency to use doctors as the first place for medical treatment. The number reporting having to wait longer than three weeks has remained at its highest level (18 percent) in 2003 (Table 11). Over the last year it appears that TennCare recipients are waiting somewhat shorter periods of time to see their physicians once they reach the office (Table 12). Again, this is consistent with a small percentage seeing a doctor on the day they call – i.e., people have made *certain* appointments to see the doctor but must wait slightly longer to get the appointment.

**Table 11: Time Between Attempt to Make Appointment and First Availability of Appointment:
TennCare Heads of Household (1994-2003) (Percent)**

When you last made an appointment to see a primary care physician for an illness in 2003, how soon was the first appointment available?	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Same day	29	32	32	29	26	23	22	19	22	20
Next day	17	22	27	17	21	18	19	15	18	16
1 week	28	23	23	28	27	27	31	31	29	29
2 weeks	10	9	8	11	10	12	11	12	9	11
3 weeks	4	4	5	5	4	5	4	5	5	5
Over 3 weeks	11	11	5	11	11	15	15	18	18	18

Table 12: Wait for Appointments: TennCare Heads of Household (1994-2003) (Minutes)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Number of minutes wait past scheduled appointment time?	105	62	52	52	49	52	64	61	64	50
Number of minutes to travel to physician's office?	25	42	22	21	21	22	24	23	23	22

TennCare Providers

The largest percent of TennCare recipients continues to report being signed up with Blue Cross/Blue Shield (42 percent) as their TennCare provider (Table 13). Other respondents were scattered among the other providers, and that includes the dispersal of most of those having been signed up on AccessMed Plus.

Table 13: Company Managing TennCare Plan (1994-2003) (Percent)

What company manages your TennCare plan?	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Blue Cross/Blue Shield	52	62	57	48	48	50	50	50	40	42
Health Net	7	7	7	8	2	1				
John Deere (Heritage)	3	1	2	2	3	4	5	4	7	7
TCL (Memphis Managed Care)	3	2	2	4	4	4	3	5	12	12
Phoenix (Advantage Care)	3	2	4	6	13	8				
Preferred Health Partner	6	3	4	8	6	7	7	4	8	12
Prudential (Prudential)	1	1	0	1	1	1				
TennSource (Health Source)	1	1	1	1	0	0				

Table 13, continued

What company manages your TennCare plan?	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Access Med Plus	18	16	17	19	18	20	22	23	5	3
Total Health Plus (THP	1	.5	1	1	0	0				
Vanderbilt Health Plan	1	.5	1	1	0	0	1	1	0	1
Omnicare (Affordable)	2	2	2	3	3	4	2	2	7	6
Xantus Health Plan							9	8	9	10
Universal Care								2	9	4
Better Health Plans								1	3	4
Not sure	3	1	0	0	2	1	1			

There has been little change in the past three years among the proportion of respondents indicating that they had been sent an enrollment card, a grievance form, a list of rights and responsibilities or information on filing grievances (Table 14). About three-fourths recall receiving notices from the provider to whom they have been assigned while 29 percent report receiving a ballot to change providers, down markedly from 2001 and 2002. Only 18 percent indicate that they changed providers in 2003. There appears to have been somewhat of a stabilization in that area. Clearly the preferred method (75 percent) for receiving information about TennCare is through the mail (Table 15).

Table 14: Households Receiving TennCare Information for Providers (1994-2003) (Percent)

Please indicate whether or not you or anyone in your household has received each of the following regarding TennCare	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
An enrollment card	68	68	71	70	77	76	74	65	70	65
A grievance form	19	20	33	28	41	39	33	32	34	35
Information on filing grievances	24	23	35	31	43	44	36	46	39	40
A list of rights and responsibilities	53	58	66	63	73	70	66	63	70	70
Name of provider to whom assigned								72	79	76
Ballot to change provider								64	43	29
Changed providers								31	32	18

Table 15: Best Way to Get Information about TennCare

	2001	2002	2003
Mail	66	67	75
Friends	1	2	0
Doctor	7	7	5
Drug Store	1	1	0
TV	1	0	1
Paper	0	0	0
Other	3	4	3
Phone	12	11	10
Handbook	9	8	6

Conclusion

While TennCare's cost and administration continue to be the source of controversy in the state, there is substantial evidence that, at least from the *perspective of the recipients*, the program is working as expected. TennCare recipients see physicians more often, visit emergency rooms less for routine care, and are able to see a physician without excessive travel or waiting time. TennCare has dramatically reduced the number of uninsured in Tennessee, although that number is approaching 400,000. The number of children has fallen below 50,000, indicating the success at focusing resources on coverage of younger Tennesseans.

After some initial dissatisfaction, the TennCare group is now at least as satisfied with TennCare as it had been with Medicaid in 1993. Their experience with medical care mirrors much more closely that of those covered by private insurance. At least from the point of view of those participating in the program, TennCare is providing health care in a satisfactory manner.